

## **5.0 SOLID WASTE MANAGEMENT PROGRAM**

### **MUNICIPALITIES, COUNTIES, AND OTHER POLITICAL ENTITIES LOAN APPLICATION FORM**

# **Solid Waste Management Program Municipalities, Counties and Other Political Entities Loan Application**

Please type or print clearly. Be sure to fill in each blank and answer each question. If not applicable, mark N/A. If there is not enough room, attach additional sheets. If the requested information is all ready included in the Business Plan, please indicate where it is located (e.g. see Section D).

Date: \_\_\_\_\_

**Amount of loan requested** \_\_\_\_\_

Please check type of loan being applied for:

\_\_\_\_\_ Recycling      \_\_\_\_\_ Disposal/Waste Management      \_\_\_\_\_ Tire Disposal

## **5.1 APPLICANT INFORMATION**

NAME OF APPLICANT : \_\_\_\_\_

AFFILIATED BUSINESSES: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY/STATE/ZIP CODE: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

FAX NUMBER: \_\_\_\_\_

NAME OF INDIVIDUAL COMPLETING THIS FORM: \_\_\_\_\_

REPRESENTING: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

TAXPAYER IDENTIFICATION NUMBER

Federal: \_\_\_\_\_ State: \_\_\_\_\_

FISCAL YEAR ENDS: \_\_\_\_\_

THE APPLICANT IS A :

\_\_\_\_\_ Municipality \_\_\_\_\_ County

\_\_\_\_\_ Other (specify) \_\_\_\_\_

SECURITY PLEDGED TOWARD THE REPAYMENT OF THIS LOAN?

- \_\_\_\_\_ 1. General obligation bond (requires bond election)  
\_\_\_\_\_ 2. Revenue obligation bond  
\_\_\_\_\_ 3. Sales tax obligation bond  
\_\_\_\_\_ 4. General and revenue obligation bond (requires bond election)  
\_\_\_\_\_ 5. Revenue and sales tax  
\_\_\_\_\_ 6. Other (Specify) \_\_\_\_\_

POPULATION SERVED

Current \_\_\_\_\_ 1990 \_\_\_\_\_ 1980 \_\_\_\_\_

LIST THE CURRENT UNENCUMBERED SOLID WASTE/RECYCLING UTILITY FUND CASH BALANCE AND THE BALANCE FOR THE LAST THREE FISCAL YEARS.

	Current <u>Balance</u>	19 _____ <u>Balance</u>	19 _____ <u>Balance</u>	19 _____ <u>Balance</u>
Solid Waste/Recycling Fund	_____	_____	_____	_____

BANKS WHERE ACCOUNTS ARE MAINTAINED:

<u>Type of Account</u>	<u>Account Number</u>	<u>90 Day Average Balance</u> (Obtain from Bank Officer)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

## 5.2 PURPOSE OF THE LOAN

DESCRIPTION OF THE PROJECT AND REASON FOR THE LOAN:

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The estimated date construction or acquisition will commence: \_\_\_\_\_

The estimated completion or acquisition and installation date: \_\_\_\_\_

THIS SECTION INCLUDES ALL SOURCES OF FUNDS, INCLUDING THE NON-SWMP SOURCES OF FINANCING:

<u>Uses of All Funds</u>	<u>Useful Life</u>	<u>Total Cost</u>	<u>Proposed Source</u>
Land Acquisition	_____	\$ _____	_____
Land Improvements	_____	\$ _____	_____
Building	_____	\$ _____	_____
Site Improvements	_____	\$ _____	_____
Repairs/Renovations	_____	\$ _____	_____
Construction	_____	\$ _____	_____
Construction Fees	_____	\$ _____	_____
Equipment and Installation	_____	\$ _____	_____
Furniture and Fixtures	_____	\$ _____	_____
Other Construction Costs	_____	\$ _____	_____
Inventory	_____	\$ _____	_____
Trade Receivable	_____	\$ _____	_____

Work-in-progress Inventory	_____	\$ _____	_____
Financing Fees	_____	\$ _____	_____
Other Costs	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
<b>TOTAL</b>	_____	\$ _____	_____

REQUESTED SOURCES OF FINANCING: (Please attach copies of commitment letters for each source of financing. Letters must contain the specific terms and conditions.)

A. Source of Long-Term Financing (including SWMP financing)

<u>Name of Lender</u>	<u>Purpose</u>	<u>Amount</u>	<u>Terms</u>	<u>Collateral Position*</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

\*Position may be negotiated among the parties involved.

B. Source of Interim (Construction) financing

<u>Name of Lender</u>	<u>Purpose</u>	<u>Amount</u>	<u>Terms</u>	<u>Collateral Position*</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

\*Position may be negotiated among the parties involved.

C. Source and amount of equity funding

<u>Source</u>	<u>Purpose</u>	<u>Amount</u>	<u>Comments</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

List all other debt associated with the appropriate enterprise fund

<u>Source</u>	<u>Purpose</u>	<u>Amount</u>	<u>Comments</u>

**5.3 PROPOSED COLLATERAL SUMMARY**

(Include additional assets to be acquired with loan proceeds)

	<b>COST/BOOK VALUE*</b>	<b>APPRAISED MARKET VALUE</b>
A. Land		
B. Building		
C. Machinery & Equipment		
D. Furniture & Fixtures		
E. Trade Receivable		
F. Inventory		
G. Work-in-progress Inventory		
H. Personal and/or Corporate Guarantees		
I. Other (specify)		
TOTAL COLLATERAL		

\*Cost is the purchase price if less than one year old. Book value is the purchase prices less accumulated depreciation. Please state which value is used.

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Identify and describe the area anticipated to be served by the proposed project. Include a list of communities, counties, and major businesses to be served. Identify the top 5 customers or those customers that are anticipated to provide more than 10 percent of the material to be collected, processed, and marketed. (Customers – i.e. those individuals or businesses anticipated to provide material to the proposed facility for disposal or recycling.)

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2. Describe your method of selling and distribution.

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3. How do you price your product or service?

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4. Where is your market heading? Describe the trend in the industry.

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5. What are the most important factors affecting your ability to compete in the market place?

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LIST YOUR PRESENT MAJOR MARKETS (those markets that comprise more than 10% of sales or the top five entities receiving processed materials)

<u>Name</u>	<u>City, State, and Phone</u>	<u>Product</u>	(%) of <u>Sales</u>

LIST YOUR PRESENT AND PROJECTED PRINCIPAL COMPETITORS (top five):

<u>Name</u>	<u>City, State and Phone</u>	<u>Product</u>	(%) of <u>Sales</u>

## 5.6 CONSULTANTS

Attorney

Name: \_\_\_\_\_ Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Years of Affiliation: \_\_\_\_\_

Accountant

Name: \_\_\_\_\_ Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Years of Affiliation: \_\_\_\_\_

Bond Counsel

Name: \_\_\_\_\_ Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Years of Affiliation: \_\_\_\_\_

The purpose of this section is to evaluate a borrower's tax base and customers in order to assess the condition of the community.

Five year full & true valuation trend:

Year \_\_\_\_\_ Valuation \$ \_\_\_\_\_

Year \_\_\_\_\_ Valuation \$ \_\_\_\_\_

Year \_\_\_\_\_ Valuation \$ \_\_\_\_\_

Year \_\_\_\_\_ Valuation \$ \_\_\_\_\_

Year \_\_\_\_\_ Valuation \$ \_\_\_\_\_

Year 19\_\_\_\_ Levy \$\_\_\_\_\_ Collected \$\_\_\_\_\_ Penalties/Interest \$\_\_\_\_\_ Late Payments \$\_\_\_\_\_

Year 19\_\_\_\_ Levy \$\_\_\_\_\_ Collected \$\_\_\_\_\_ Penalties/Interest \$\_\_\_\_\_ Late Payments \$\_\_\_\_\_

Year 19\_\_\_\_ Levy \$\_\_\_\_\_ Collected \$\_\_\_\_\_ Penalties/Interest \$\_\_\_\_\_ Late Payments \$\_\_\_\_\_

[illegible]



## **5.8 HISTORICAL FINANCIALS (please attach)**

Provide the three (3) most recent years financial statements. At minimum, this history must contain a balance sheet and income statement. Audited financials are preferred, however, other statements may be acceptable. Unaudited financial statements must be signed and dated by an authorized financial officer of the entity and details (terms, maturity, interest rate) must be provided on existing debt agreements.

## **5.9 PRO FORMAS (please attach)**

Submit pro forma financial statements reflecting the performance of the applicant under the conditions for the term of the loan for the next three years. Pro formas must include: balance sheet, income statement, cash flow, and must be supported by notes and justifiable assumptions.

## **5.10 MANAGEMENT ORGANIZATION (please attach)**

Provide an organizational chart of the entity showing key positions and functions. Also provide resumes of existing management personnel.

## **5.11 APPRAISALS**

The department may require an appraisal of the project prior to loan closing and its conformance to values presented to the board. An independent appraiser must be acceptable to the board.

## **5.12 LETTER OF COMMITMENT (please attach)**

1. Interim financing letter of commitment.
2. Permanent financing letter of commitment from regulated private lender.

## 5.13 LENDER APPLICATION (to be completed by participating lender)

### Part 1: Lender Information

To the Lender:

The state Solid Waste Management Program funding program needs your participation. Borrowers from our program should bring you a proposal as would any other loan applicant. We expect you to review the proposal as you would any loan application and make your decision in the same manner. When you have made a decision, please complete the following to provide the department with your analysis of the proposal. Feel free to include any internal loan workups you have prepared. The entire application should then be forwarded to the department.

LENDER NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY/STATE/ZIP: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

NAME OF BORROWER: \_\_\_\_\_

### Part 2: Long-term Loan Proposal, Interest

	<u>Amount</u>	<u>Interest Rate</u>	<u>Term</u>
TO BE HELD BY DENR:	_____	_____	_____
TO BE HELD BY BANK:	_____	_____	_____

### Part 3: Interim Financing

	<u>Maximum Amount</u>	<u>Interest Rate</u>	<u>Term</u>
CONSTRUCTION OR INSTALLATION LOAN:	_____	_____	_____
LENDER FEE	_____	_____	_____

## **PART 4: Lender's Attachments**

### **Section A: Lender Analysis**

At a minimum, the lender must provide a copy of its loan analysis which includes comments on:

1. Management experience and capabilities;
2. Ratio analysis and trends (historical and pro forma);
3. Repayment ability;
4. Adequacy of collateral;
5. Credit experience with the applicant;
6. Business plan.

### **Section B: List of Collateral and Loan Positions**

Identify proposed collateral, guarantees, and standby agreements available to the department, as well as other loans to applicant and other liens on collateral.

### **Section C: Lender's Loan Servicing Plan**

Provide a proposed loan servicing plan for this loan. The plan shall include:

1. Quarterly Regulated Lender's Report.
2. Quarterly site visit by bank representative.
3. Assist the borrower in fulfilling the business reporting requirements.  
(Quarterly forward loan payments designated by the board.)
4. Notify the department of potential developments that may adversely affect the health or operation of  
the business, including late payments.

NOTE: The board has authorized DENR to negotiate with the lender on these requirements depending on extraordinary servicing responsibilities.

### **Section D: Commitment for Construction and/or Interim Acquisition Finance.**

Please provide detailed copies of your commitment letters.

Officer Submitting This Application: \_\_\_\_\_

Officer Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

APPLICATION CHECKLIST	ENCLOSED	N/A
1. Borrower Application	_____	_____
1A. Borrower Schedules:	_____	_____
a. Historical Financials	_____	_____
b. Pro Formas	_____	_____
c. Marketing Plan	_____	_____
d. Management & Organization	_____	_____
e. Appraisal	_____	_____
f. Letters of Commitment	_____	_____
g. Business Organization	_____	_____
h. Other Enclosures	_____	_____
2. Lender Application	_____	_____
2A. Lender Schedules	_____	_____
a. Lender Analysis	_____	_____
b. List of Collateral and Loan Positions	_____	_____
c. Loan Servicing Plan	_____	_____
d. Commitment for Construction and/or Interim Acquisition Finance	_____	_____

## 5.14 CERTIFICATION

All information contained above and in schedules attached hereto are true and complete to the best knowledge and belief of the applicant. There is no intent to deceive or defraud the Board of Water and Natural Resources or any potential participant in any loans to finance this project.

The applicant recognizes that the Department of Environment and Natural Resources or the Board of Water and Natural Resources may not process any application that is not complete. Incomplete applications will be returned to the applicant for completion.

APPLICANT : \_\_\_\_\_

OFFICER'S SIGNATURE: \_\_\_\_\_

OFFICER'S NAME/TITLE: \_\_\_\_\_

TELEPHONE NUMBER: \_\_\_\_\_ DATE: \_\_\_\_\_

## **5.15 GLOSSARY OF TERMS**

**BOARD:** The Board of Water and Natural Resources.

**COLLATERAL:** Assets owned by a borrower that are pledged to a lender as security for a loan.

**FEDERAL TAX ID:** The number assigned by the IRS.

**FINANCIAL STATEMENTS:** Written statements reflecting the assets and liabilities, fund balance, income and expenses of an entity. At the minimum, they should include a balance sheet, showing the assets and liabilities of the entity and an income statement showing gross income, operating expenses and net income.

**INTERIM FINANCING:** Short-term lending for the construction or acquisition phase of a project based on a commitment from the board for a term loan.

**PRO FORMA:** Financial statements reflecting the estimated condition and growth of an entity in the years after a loan is made based on the business plan developed by the borrower.

**TOTAL PROJECT COST:** The direct costs associated with the purchase of land; necessary site development and improvements; construction, acquisition, or remodeling of buildings and works necessary to the operation and protection of the project; purchase and installation of machinery and equipment; fees or services; approved in-kind contributions; and an adequate line of credit from a regulated lender for necessary net working capital.

**QUARTERLY LENDER'S REPORT:** Report prepared by the servicing lender to include a management report, inventory report, asset report and operations report.